

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

BECTON, DICKINSON AND COMPANY,)	
GENEOHM SCIENCES CANADA, INC.)	
and HANDYLAB, INC.,)	
)	
Plaintiffs,)	
)	C.A. No. 19-1126 (LPS)
v.)	
)	DEMAND FOR JURY TRIAL
NEUMODX MOLECULAR, INC., QIAGEN)	
GMBH, QIAGEN NORTH AMERICAN)	REDACTED -
HOLDINGS, INC., SUNDARESH)	PUBLIC VERSION
BRAHMASANDRA, and JEFFREY)	
WILLIAMS,)	
)	
Defendants.)	

**PLAINTIFFS' ANSWER AND/OR REPLY TO DEFENDANTS' COUNTERCLAIMS
AND COUNTERCLAIMS-IN-REPLY**

Becton, Dickinson and Company, GeneOhm Sciences Canada, Inc. (collectively “BD”), and HandyLab, Inc. (“HandyLab” and collectively with BD, “Plaintiffs”), by and through their attorneys, file this Answer and/or Reply to the Counterclaims of NeuMoDx Molecular, Inc. (“NeuMoDx”) and QIAGEN GmbH and QIAGEN North American Holdings, Inc. (collectively “Qiagen” and together with NeuMoDx, “Defendants”) (D.I. 201), and Counterclaims-In-Reply, incorporate and reference as though fully set forth herein Plaintiffs’ Second Amended and Supplemental Complaint, and hereby allege as follows:

ANSWER TO DEFENDANTS' COUNTERCLAIMS

1. Plaintiffs admit that NeuMoDx is a corporation organized and existing under the laws of Delaware, with its principal place of business at 1250 Eisenhower Place, Ann Arbor, Michigan 48108-3281.

2. Plaintiffs admit that Qiagen GmbH is a corporation organized and existing

under the laws of Germany, with a principal place of business at Qiagen Strasse 1, 40724 Hilden, Germany.

3. Plaintiffs admit that Qiagen North American Holdings, Inc. (“Qiagen NA”) is a corporation organized and existing under the laws of California, with a principal place of business at 19300 Germantown Road, Germantown, Maryland 20874.

4. Plaintiffs admit that BD is a corporation organized and existing under the laws of New Jersey, with its principal place of business at 1 Becton Drive, Franklin Lakes, NJ 07417.

5. Plaintiffs admit that HandyLab is a wholly owned subsidiary of Becton Dickinson and a corporation organized and existing under the laws of Delaware, and HandyLab’s officers and directors control, direct, and coordinate the corporation’s activities from Franklin Lakes, NJ. To the extent any allegations remain, Plaintiffs deny the remaining allegations set forth of Paragraph 5.

6. Plaintiffs admit that GeneOhm Sciences Canada, Inc. is a wholly owned subsidiary of Becton Dickinson and a corporation organized and existing under the laws of Canada, with its principal place of business 2555 Boul du Parc-Technologique Québec G1P4S5 Canada.

JURISDICTION AND VENUE

7. Paragraph 7 states a legal conclusion and therefore no response is required. Plaintiffs do not dispute subject matter jurisdiction for purposes of this lawsuit only.

8. Plaintiffs deny engaging in acts giving rise to Defendants’ counterclaims in this district. The remaining allegations in Paragraph 8 state a legal conclusion and therefore no response is required. Plaintiffs do not dispute personal jurisdiction for purposes of this lawsuit only.

9. Paragraph 9 states a legal conclusion and therefore no response is required. Plaintiffs do not dispute venue for purposes of this lawsuit only.

0. Plaintiffs incorporate and reference their answers to the above and below questions and incorporate them as though fully set forth herein.

12. Denied.

13. Denied.

14. Denied.

15. Denied.

16. Denied.

17. Denied.

18. Denied.

19. Denied.

20. Denied.

21. Denied.

22. Denied.

23. Denied.

24. Denied.

25. Denied.

3

27. Denied.

COUNT 2 – DECLARATORY JUDGMENT OF INVALIDITY

28. Plaintiffs incorporate and reference their answers to the above and below paragraphs and incorporate them as though fully set forth herein.

29. Plaintiffs admit that they have sued NeuMoDx and Qiagen for infringing one or more claims of the '308, '069, '708, '900, '103, '787, '456, '088, '788, '663, '261, '262 and '466 patents and assert that the patents are valid and enforceable.

30. Denied.

31. Denied.

32. Plaintiffs admit that they have maintained their infringement claims against Defendants. Plaintiffs deny the remaining allegations in Paragraph 32.

33. Denied.

34. Denied.

35. Denied.

36. Denied.

37. Denied.

38. Denied.

39. Denied.

40. Denied.

41. Denied.

42. Denied.

43. Denied.

44. Denied.

45. Denied.

47. Denied.

49. Denied.

51. Denied.

56. Plaintiffs admit that HandyLab and Brahmasandra entered into an “Amendment to Employment Agreement” in February 2012. To the extent Defendants purportedly quote from the Amendment to Employment Agreement, Plaintiffs respond that the Amendment to Employment

57. To the extent Defendants purportedly quote from the Amendment to Employment Agreement, Plaintiffs respond that the Amendment to Employment Agreement speaks for itself and no further response is required. Except as specifically admitted, Plaintiffs deny the allegations of Paragraph 57.

59. To the extent Defendants purportedly quote from the Amendment to Employment Agreement, Plaintiffs respond that the Amendment to Employment Agreement speaks for itself and no further response is required. Except as specifically admitted, Plaintiffs deny the allegations of Paragraph 59.

61. Because of the lack of specificity and vagueness of the allegations of Paragraph 61, Plaintiffs lack knowledge sufficient to confirm or deny the allegations set forth of Paragraph 61, and therefore deny them.

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including confidential aspects of its technology,” at any such “meetings.” To the extent any allegations remain, Plaintiffs deny the remaining allegations set forth of Paragraph 62.

63. Denied.

64. Denied.

**COUNT IV – DECLARATORY JUDGMENT OF NO TERMINATION OF
LICENSE AGREEMENT**

65. Plaintiffs incorporate and reference their answers to the above and below paragraphs and incorporate them as though fully set forth herein.

66. Plaintiffs admit that Qiagen GmbH and HandyLab entered into a License and Supply Agreement on May 21, 2008, which was later amended on July 1, 2009 (the “HandyLab-Qiagen Agreement”). To the extent Defendants purportedly quote from the HandyLab-Qiagen Agreement, Plaintiffs respond that the Agreement speaks for itself. Except as specifically admitted, Plaintiffs deny the allegations of Paragraph 66.

67. Exhibit A speaks for itself and therefore no response to the allegations in Paragraph 67 describing the contents of that document is required.

68. Plaintiffs admit that they contend that the Asserted Patents are not licensed under the HandyLab-Qiagen Agreement to Defendants.

69. Exhibits A-C speak for themselves and therefore no responses are required. The remaining allegations in Paragraph 69 contain legal conclusions to which no response is required.

70. The HandyLab-Qiagen Agreement speaks for itself and therefore no response to the allegations in Paragraph 70 describing the contents of that document is required. Plaintiffs deny the content of “Exhibit X” because no such Exhibit was appended to Defendants pleading. Plaintiffs deny that they did not seek to terminate the HandyLab-Qiagen Agreement under any

71. Denied.

73. Denied.

74. Denied.

76. Denied.

77. Denied.

Plaintiffs repeat and reallege each and every answer and/or allegation above and below (including in Plaintiffs' Counterclaims-in-Reply) as if fully set forth herein.

Defendants' Counterclaims, in whole or in part, fail to state a claim upon which relief can be granted.

Defendants' Counterclaims for patents that have been challenged by Defendants through *inter partes* review and resulted in a final written decision under 35 U.S.C. § 318(a) are barred by estoppel, in whole or in part, under 35 U.S.C. § 315(e)(2).

Defendants' Counterclaims are barred, in whole or in part, by the doctrine of assignor estoppel. For example, Jeffrey Williams, one of the named inventors of U.S. Patent Nos. 7,998,708; 8,323,900; 10,625,261; 10,625,262; and 10,632,466 and Sundaresh Brahmashandra, one of the named inventors of U.S. Patent Nos. 10,364,456; 10,604,788; 10,443,088; and 10,494,663 are currently employed by, and in privity with, Defendants. Therefore, Defendants cannot challenge the validity of at least U.S. Patent Nos. 7,998,708; 8,323,900; 10,625,261; 10,625,262; 10,632,466; 10,364,456; 10,604,788; 10,443,088; and 10,494,663.

Defendants' Counterclaims are barred, in whole or in part, by laches, delay, waiver, unclean hands, acquiescence and/or estoppel. This includes, but is not limited to, for example, the fact that Defendants did not raise any purported license defense prior to the commencement of this action, including in late 2018 when Qiagen contacted Plaintiffs shortly after executing the merger agreement with NeuMoDx. Additionally, NeuMoDx's principals and relevant employees, including but not limited to Jeffrey Williams and Sundaresh Brahmasandra, affirmed and/or were silent as to the validity and inventorship of HandyLab's patents, including the Asserted Patents, including for example while they were at HandyLab, as part of the sale of HandyLab to BD in 2009, in papers filed with the Patent Office, and thereafter.

Defendants' Counterclaims are barred, in whole or in part, because *inter alia* Defendants have failed to show and cannot show the elements of a breach of contract claim and/or claim for declaratory judgment of no termination of license agreement; Plaintiffs did not breach any contractual and/or legal duties to Defendants; under Defendants' theories, Defendants breached their contractual and legal duties to Plaintiffs and any contractual and legal rights of or duties to

SIXTH DEFENSE

SEVENTH DEFENSE

EIGHTH DEFENSE

PLAINTIFFS' COUNTERCLAIMS-IN-REPLY

1. Plaintiffs incorporate by reference paragraphs 1-9 of their Second Amended Complaint (D.I. 169) as though fully set forth herein. Plaintiffs repeat and reallege each and every answer and/or allegation above and below as if fully set forth herein.

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3. Brahmasandra was employed by NeuMoDx (or its predecessor Molecular Systems Corp.) from 2012 to 2021, during which time he held positions as President and Chief Operating Officer (“COO”).

5. Williams founded Molecular Systems Corp. (which later became NeuMoDx) in 2012 and was Chief Executive Officer of NeuMoDx (and its predecessor Molecular Systems Corp.) from its founding in 2012 until 2020.

6. For purposes of Plaintiffs’ Counterclaims-In-Reply, NeuMoDx, Brahmasandra, and Williams shall be referred to as “Defendants” below. Qiagen GmbH shall be referred to as “Qiagen” below.

7. Plaintiffs incorporate by reference paragraphs 50-66 of their Second Amended Complaint (D.I. 169) as though fully set forth herein.

9. This Court has supplemental jurisdiction pursuant to 28 U.S.C. § 1367 over all other claims that do not arise under the Constitution, laws, or treaties of the United States because they involve a common nucleus of operative fact.

11. Venue remains proper in this District under at least 28 U.S.C. §§ 1400(b), 1391, pendent venue, and Fed. R. Civ. P. 13 because NeuMoDx filed counterclaims in this district. Furthermore, this is a district in which a substantial part of the events or omissions giving rise to the claim occurred, or a substantial part of property that is the subject of the action is situated, given that Brahmasandra and Williams were officers, directors, and key managerial personnel of HandyLab and NeuMoDx, both Delaware corporations; and Brahmasandra and Williams misappropriated and improperly retained, disclosed, and used Plaintiffs' trade secret and confidential proprietary information and materials, including that of a Delaware corporation, in

BACKGROUND FACTS COMMON TO COUNTERCLAIMS-IN-REPLY

13. Plaintiffs have learned in discovery that NeuMoDx has covertly misappropriated vast quantities of Plaintiffs' trade secret and confidential proprietary technical and nontechnical information and materials, including hundreds (if not thousands) of (1) research, design, and engineering documents and files for diagnostic instruments and microfluidic cartridges; (2) research, design, and engineering documents and files for diagnostic assays and reagents; and (3) documents and files related to market research, financial information, and competitive strategies. Many of these documents and files were *clearly marked* on their face as confidential and proprietary to HandyLab. NeuMoDx's President and Chief Operating Officer Brahmasandra, NeuMoDx's former CEO Williams, and others freely disseminated Plaintiffs' trade secret and confidential proprietary information and materials to other NeuMoDx employees who were involved in the development of NeuMoDx's competing products and business. Brahmasandra, Williams, and other NeuMoDx employees encouraged, facilitated, and participated in dissecting and using Plaintiffs' trade secret and confidential proprietary information and materials for NeuMoDx's commercial benefit.

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A. Brahmasandra's and Williams's Duties to Protect Plaintiffs' Confidential, Proprietary, and Trade Secret Information and Materials

16. Pursuant to his Employment Agreement, Brahmasandra was given the title of Vice President, R&D Assay Development. By virtue of his position as a senior executive, member of managerial personnel, and agent, Brahmasandra owed Plaintiffs a fiduciary duty and duty of loyalty. Brahmasandra's duties and responsibilities also included driving the transfer of technology and knowledge relating to HandyLab assay chemistries to BD associates as well as training BD associates on HandyLab's existing assay menu and methods, intellectual property, and technologies that were in development.

18. Pursuant to his Employment Agreement, Williams was given the title of Vice President, HAI and Business Development. By virtue of his position as a senior executive, member of key managerial personnel, and agent, Williams owed Plaintiffs a fiduciary duty and duty of

loyalty. Williams' duties and responsibilities included overseeing the integration of HandyLab into BD, managing business activities toward technical and business milestones, and conducting other strategic and business initiatives.

20. Upon signing the Agreements, Williams and Brahmasandra agreed that they were prohibited from disclosing or using, other than for performance of their duties and responsibilities in connection with their employment at HandyLab, any of Plaintiffs' trade secrets and confidential proprietary information and materials, including:

21. In each case, the above confidentiality restriction survived termination of Williams's and Brahmasandra's employment with HandyLab. The Agreements provided that "[t]he Employee understands that this restriction shall continue to apply after his employment terminates, regardless of the reason for such termination."

24. Williams and Brahmasandra also executed other agreements creating similar obligations prior to the acquisition of HandyLab by BD. For example, Brahmasandra had also executed a Non-Disclosure and Developments Agreement (“NDA”) with HandyLab in 2000, which required him to not use HandyLab’s trade secrets and confidential proprietary information and materials for any purpose other than performance of his duties at HandyLab, and to return all such information and materials after this employment ended. Ex. 3. Brahmasandra confirmed that he would “not at any time, whether during or after the termination of the Relationship, reveal to any person or entity any of the trade secret and confidential proprietary information and materials concerning the organization, or finances of the Corporation,” and that he would “keep secret all matters entrusted to [him] and [] not use or attempt to use any such information in any manner which may injure or cause loss or may be calculated to injure or cause loss whether directly or indirectly to the Corporation.” *Id.* Brahmasandra expressly agreed:

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25. Brahmasandra was employed by Plaintiffs until March 2011. Williams was employed by Plaintiffs until January 2010. During Brahmasandra's and Williams's respective periods of employment, Plaintiffs in creating and preparing to launch next generation molecular diagnostics platforms such as the BD MAX™ System—an automated molecular system designed to perform a broad range of molecular tests.

27. Unbeknownst to Plaintiffs, on information and belief, Brahmasandra and/or Williams, in breach of the Agreements, retained in their personal possession significant amounts of Plaintiffs' trade secrets and confidential proprietary information and materials that they obtained from Plaintiffs throughout their employment following the termination of their employment, in violation of their employment Agreements and NDAs.

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29. Brahmasandra, Williams, and NeuMoDx at least misappropriated and improperly retained, disclosed, and used these materials at least in connection with foundational research and development, and product-planning activities, and to obtain a substantial head start in developing diagnostic products that directly compete with Plaintiffs' products. The retention, disclosure, and use of Plaintiffs' trade secrets and confidential proprietary information and materials by NeuMoDx and its agents—including, *e.g.*, Brahmasandra and Williams—has unjustly enriched Defendants and has caused and will continue to cause substantial economic harm and disadvantage to Plaintiffs.

30. One of BD's core business units is the Integrated Diagnostics Solutions business, which is focused on innovation and product development in diagnostic testing systems and solutions. BD has two industry-leading products in its diagnostics portfolio—BD MAX™ and BD COR™. They are designed to perform a broad range of diagnostic tests in a rapid and highly automated fashion suitable for hospitals and clinical laboratories that perform medium-to-high volumes of diagnostic tests. BD MAX™ and BD COR™ are fully integrated and fully automated platforms, incorporating clinical sample preparation, nucleic acid extraction, as well as microfluidic real-time polymerase chain reaction (“PCR”) amplification and detection in single diagnostic systems.

32. As explained above, Defendants misappropriated vast amounts of Plaintiffs' confidential and proprietary technical and nontechnical information and materials, including hundreds (if not thousands) of (1) research, design, and engineering documents and files for

33. That confidential and propriety information included at least the following trade secrets that, upon information and belief, NeuMoDx’s agents—including, *e.g.*, Brahmasandra and/or Williams—improperly retained from their time of employment with Plaintiffs, disclosed to NeuMoDx, and that NeuMoDx further misappropriated and improperly retained, disclosed, used and continues to use. Plaintiffs’ trade secrets include (based on what has been uncovered thus far in limited discovery) but are not limited to the following non-exclusive and representative trade secrets (“Trade Secrets”):

(i) engineering drawings for components of the diagnostic instrument and/or microfluidic cartridge (e.g., engineering drawings depicting the cartridge and describing design, engineering, and manufacturing requirements for specific cartridge components, such as [REDACTED])

);

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] [REDACTED] - [REDACTED]

- (iv) lists describing all of the parts, components, and subcomponents in a diagnostic instrument (e.g., spreadsheets listing all parts by part numbers)
- b. Trade secrets relating to design and manufacture of diagnostic assays, including buffers, reagents, and mixtures for use in assays:
- (i) experimental results relating to the research and development of buffers, reagents, and mixtures for use in diagnostic assays (e.g., [REDACTED]);
- (iii) design of, methods of manufacturing, and properties of HandyLab's nucleic-acid binding beads (e.g., [REDACTED]);
- (iv) formulation and composition of buffers, reagents, and mixtures (e.g., [REDACTED]);
- c. Trade secrets relating to Plaintiffs' marketing, finances, and competitive strategies:
- (i) lists describing the suppliers, vendors, and manufacturers of components in Plaintiffs' prototypes and products relating to Jaguar and/or BD MAX™;
- (ii) terms of Plaintiffs' confidential agreements with suppliers and/or vendors relating to Jaguar and/or BD MAX™ (e.g., Plaintiffs' agreements that contain pricing terms);
- (iii) confidential market research relating to demand and critical product performance characteristics;
- (iv) analyses of competitors and business strategies for growing market share;
- (v) market research relating to the software features in Plaintiffs' products;

(vi) Plaintiffs' internal financial documents, including but not limited to financials showing margins, profits, losses, operating expenses, projections, costs of goods sold, and sales by product.

All of Plaintiffs' Trade Secrets are also Plaintiffs' confidential proprietary information.

34. Plaintiffs' Trade Secrets are valuable because they were developed by Plaintiffs through the significant expenditure of time, money, and other resources, including through the acquisition of HandyLab by BD; and/or through their contribution to the development of diagnostic products including the Jaguar and BD MAX™. Plaintiffs expended and continue to expend time, money, and resources in maintaining the confidentiality of Plaintiffs' Trade Secrets. Plaintiffs' Trade Secrets are not generally known to the public or to Plaintiffs' competitors, and are not readily ascertainable. Plaintiffs' Trade Secrets derive independent economic value from not being generally known or readily ascertainable, to Plaintiffs' competitors (including NeuMoDx and Qiagen) who would obtain economic value from the use of Plaintiffs' Trade Secrets.

35. Plaintiffs' Trade Secrets constitute valuable and confidential information that can be used individually or in combination to design, manufacture, market, and sell competing systems and associated products for diagnostic testing; outline what approaches will (or will not) likely succeed in certain settings; and provide a significant head start to competitors in diagnostic testing.

36. Many of the files that NeuMoDx's agents—including, *e.g.*, Brahmasandra and/or Williams—misappropriated and improperly acquired and retained from Plaintiffs and that they and other NeuMoDx employees misappropriated and improperly retained, disclosed, and used in developing their competing products are expressly marked as proprietary and/or confidential. For example, Brahmasandra circulated an engineering drawing of a multi-lane microfluidic cartridge to NeuMoDx employees, which NeuMoDx's employees relied upon in designing NeuMoDx's

37. Plaintiffs' competitive position in the field of diagnostic testing relies on the protection of Plaintiffs' confidential and propriety information, including Plaintiffs' Trade Secrets.

38. Plaintiffs have expended significant amounts of time, money, and other resources to preserve and maintain the secrecy of Plaintiffs' Trade Secrets, including through written agreements, policies, procedures, training programs, and systems that protect this information from disclosure to others and from use by any one for purposes other than Plaintiffs' interest. As noted, many of the files that NeuMoDx's agents—including, *e.g.*, Brahmasandra and/or Williams—improperly retained from Plaintiffs and that NeuMoDx employees misused are expressly marked as proprietary and/or confidential.

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41. All employees and contractors of HandyLab were required “to sign a non-disclosure agreement as a condition of employment” pursuant to the HandyLab Employee Handbook.

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43. As described above, both Brahmasandra and Williams also each signed At-Will Employment Agreements with HandyLab at the time of BD's acquisition acknowledging they would protect HandyLab's trade secret and confidential proprietary information and materials, including by agreeing that the "Employee will comply with the policies and procedures of the Company and its Affiliates for protecting Confidential Information and shall not disclose ... any Confidential Information. ... [T]his restriction shall continue to apply after his employment terminates." Moreover, the At-Will Employment Agreements made clear that "[a]ll documents, records, tapes and other media ... relating to the business, whether current, past or future, of the Company or its Affiliates. ... shall be the sole and exclusive property of the Company and its Affiliates." Employees of HandyLab were further required to "safeguard all Documents and [] surrender [Documents] to the Company at the time his employment terminates."

45. BD has policies and procedures concerning information and data security that state, in relevant part, that only the software provided and installed by BD was allowed on employee computers, and that all data and information on the BD Information System Network are proprietary and confidential.

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47. To the extent that BD trade secret and confidential proprietary information and materials exist in written paper form, such writings are kept in secured areas with limited access. Guests to any of BD's research or manufacturing facilities are not allowed unescorted into these secure areas unless they or their employer had executed appropriate non-disclosure agreements with Plaintiffs.

49. BD maintains a Code of Conduct (the “Code”) and requires all associates to participate in annual training pertaining to the Code and certify their understanding of and compliance with the principles of the Code. Ex. 2. Complying with the Code is a condition of employment at BD, and “[a]ll directors, officers and employees are responsible for complying with the Code.” The Code prohibits BD employees from using BD Information Technologies (e.g., “computers, networks, cell phones, email, Internet”) to engage in unauthorized access to data,

50. Due to their roles and positions at HandyLab, Williams and Brahmasandra had access to Plaintiffs' Trade Secrets and confidential proprietary information and materials, including information relating to design and manufacture of diagnostic instruments and microfluidic cartridges; design and manufacture of diagnostic assays, including buffers, reagents, and mixtures for use in assays; and information relating to marketing, finances, and competitive strategies. *See also supra* ¶¶ 32-36.

51. Upon information and belief, following termination of their employment with Plaintiffs and in violation of the express language of the Agreements, Williams and/or Brahmasandra retained at least hundreds (if not thousands) of Plaintiffs' Trade Secrets and confidential documents including technical documents relating to designs, specifications, manufacturing plans and procedures, experimental and test results; and also financial documents, including lists of assets, sources of supply, and business relationships.

52. On or about December 2011, after his employment with HandyLab had ended, asandra contacted Plaintiffs seeking a limited waiver of the non-compete provision of his

53. Brahmasandra's message represented that Williams "had ideas on what features need to be implemented" in the nucleic acid testing system contemplated by MSC, but represented that MSC had "no technology yet to implement anything." Brahmasandra further explained that the "very early venture" would "definitely not result in the development of any competing products for at least 3-4 years from when we do start to work on the product."

55. Unbeknownst to Plaintiffs, at the very same time that Brahmasandra was negotiating the terms of the waiver, he had *already* breached his At-Will Employment Agreement by improperly retaining hundreds of Plaintiffs' confidential documents following the termination of his employment and, on at least one occasion, having *already* disclosed such documents to individuals outside HandyLab or BD for purposes unrelated to HandyLab's or BD's business, and without a non-disclosure agreement. *See, e.g.*, Ex. 7. Brahmasandra failed to disclose to Plaintiffs that he had breached his Employment Agreement, NDA, or fiduciary obligations by doing so.

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57. Plaintiffs did not know, nor could they have known, that Brahmasandra intended to deceive and defraud Plaintiffs and did so. Plaintiffs negotiated with Brahmasandra in good faith without knowledge that Brahmasandra had already breached his At-Will Employment Agreement, NDA, and fiduciary obligations, was still in possession of hundreds of Plaintiffs' Trade Secrets and confidential proprietary information and materials, and that Brahmasandra intended to misuse such documents in violation of his Agreement in founding a new company and to shortcut the research and development time necessary to bring diagnostic testing products to market.

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59. Pursuant to recently-provided discovery in connection with Plaintiffs' claims for patent infringement against Defendants, Plaintiffs learned that NeuMoDx's agents—including, *e.g.*, Brahmasandra and Williams—retained, disclosed, and misused numerous of Plaintiffs' documents and materials containing Plaintiffs' Trade Secrets and confidential proprietary information and materials.

60. NeuMoDx, Brahmasandra, and Williams at least misappropriated and improperly
d, disclosed, and used Plaintiffs' Trade Secrets and confidential proprietary information and
als. Brahmasandra and Williams at least misappropriated Plaintiffs' Trade Secrets and
ential proprietary information and materials by, for example, disclosing or using Plaintiffs'
Secrets and confidential proprietary information and materials despite knowing that such
ation and materials were acquired under circumstances giving rise to a duty by them to
in the secrecy of the Trade Secrets and confidential proprietary information and materials,
frain from the use of the Trade Secrets and confidential proprietary information after their
yment with HandyLab; and by disclosing or using Plaintiffs' Trade Secrets and confidential
etary information and materials despite knowing that such information and materials were
d from or through former HandyLab employees who owed a duty to maintain the secrecy of
de Secrets and refrain from the use of the information and materials after their employment
HandyLab. Brahmasandra and Williams improperly acquired, by improperly retaining,
ds of Plaintiffs' confidential documents (including Trade Secrets) after their employment
HandyLab.

62. Documents produced in discovery reveal that Brahmasandra, Williams, and others in the course of their day-to-day activities at NeuMoDx, and in their capacities as officers of NeuMoDx, improperly disseminated Plaintiffs' Trade Secrets and confidential proprietary information and materials to NeuMoDx employees and that Plaintiffs' Trade Secrets and confidential proprietary information and materials were misused by NeuMoDx employees in the development of NeuMoDx products.

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64. NeuMoDx, by and through its agents including, at a minimum, Brahmasandra and Williams, was aware of, or should have been aware of, Brahmasandra's and Williams's obligations to Plaintiffs, and nevertheless facilitated, encouraged, and condoned the secret retention, misuse, and disclosure of Trade Secrets and confidential and proprietary information and materials. NeuMoDx thus intentionally and improperly interfered with and solicited the breach of Brahmasandra's and William's performance of their obligations under the surviving provisions of their At-Will Employment Agreements with HandyLab, including the provisions relating to the nondisclosure, use, and surrender of HandyLab's trade secrets and confidential information and materials.

66. On information and belief, NeuMoDx, by and through its agents, misappropriated highly confidential Plaintiffs' Trade Secrets and other confidential proprietary information and materials by improperly acquiring Plaintiff's trade secrets, information and materials and disclosing it indiscriminately to NeuMoDx employees.

69. NeuMoDx, by and through its agents, appropriated and relied on trade secret, confidential proprietary engineering and technical drawings of Plaintiffs' multi-lane microfluidic cartridge. *See* Ex. 8. Plaintiffs' engineering drawings and files were misappropriated by at least Brahmasandra pursuant to his employment with Plaintiffs and in direct violation of his contractual obligations to Plaintiffs. At least Brahmasandra, acting in his capacity as President and COO of NeuMoDx, shared Plaintiffs' trade secret and confidential proprietary engineering drawings internally at NeuMoDx. For example, on February 7, 2013, Brahmasandra sent Molecular Systems Corp. employee Michael Kusner ("Kusner") an engineering drawing from HandyLab's Jaguar cartridge:

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[REDACTED] – [REDACTED]

take-aways from that drawing:

[REDACTED]

[REDACTED]

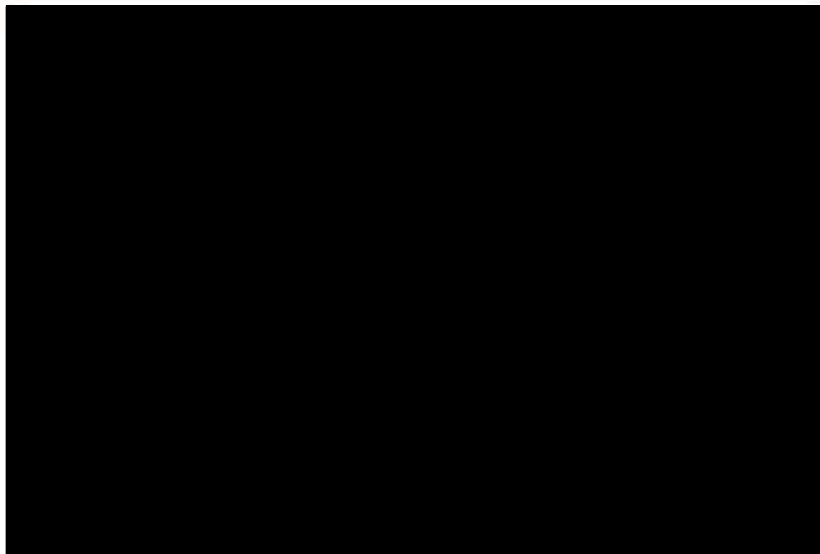
[REDACTED]

Ex. 10.

70. NeuMoDx, by and through its agents, also misappropriated and relied on Plaintiffs' documents teaching methods and chemical formulations for [REDACTED]. For example, Brahmasandra, acting in his capacity as President and COO of NeuMoDx, shared with employees at NeuMoDx HandyLab's trade secret and confidential development documents testing [REDACTED]

[REDACTED]

[REDACTED] – [REDACTED]



Ex. 11, Ex. 12. Indeed, NeuMoDx's PCR reagents have since been developed with [REDACTED]

[REDACTED]

71. NeuMoDx, by and through its agents, also appropriated and relied on actual samples of HandyLab’s nucleic-acid binding beads as well as methods of manufacturing them. For example, in 2012, Brahmasandra corresponded with NeuMoDx employee Betty Wu (“Wu”) regarding experiments conducted using lots of HandyLab’s nucleic-acid binding beads taken from HandyLab (prior to their incorporation into commercially-available mixes), and discussing their possession of the method to make new lots of HandyLab’s nucleic-acid binding beads:

Ex. 13, Ex. 14.

[illegible]

73. NeuMoDx, by and through its agents, appropriated and relied on trade secret, proprietary and confidential lists aggregated by Plaintiffs of the third-party manufacturers, suppliers, and/or vendors of ***each and every component*** of Plaintiffs' products. *See* Ex. 17 and

74. At a minimum, Defendants, recognizing that it would take them too long to develop independently the information that Plaintiffs had painstakingly researched and learned, misused Plaintiffs' Trade Secrets and proprietary and confidential information to obtain a head start for NeuMoDx's business in terms of technology, functionality, sales, and market share.

76. NeuMoDx's improper access to and use of Plaintiffs' Trade Secrets and confidential proprietary information and materials gave NeuMoDx a substantial head start and advantage in developing its diagnostic testing products. NeuMoDx would not have been able to develop its diagnostic testing products within the same time period but for its misappropriation and use of Plaintiffs' Trade Secrets and confidential proprietary information and materials, aided by Brahmasandra's repeated and pervasive disclosures of Plaintiffs' Trade Secrets and confidential proprietary information and materials.

78. Brahmasandra's and Williams's improper acquisition, retention, disclosure, and use of the Plaintiffs' Trade Secrets and confidential proprietary information and materials, and NeuMoDx's improper acquisition, disclosure and use of Plaintiffs' Trade Secrets and confidential proprietary information and materials, have caused and will cause severe competitive harm, substantial economic damages, and disadvantage to Plaintiffs', some of which is not even known or knowable at the present time.

79. Pursuant to Federal Rule of Civil Procedure 13, Plaintiffs hereby plead their counterclaims-in-reply against Defendants NeuMoDx, Brahmasandra, and Williams, as set forth herein.

80. Plaintiffs repeat and re-allege each and every allegation above as if fully set forth herein.

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83. Plaintiffs' confidential, proprietary, and Trade Secret information derives independent economic value from not being generally known to, and not being readily ascertainable through proper means by, another person who could obtain economic value from the disclosure or use of the information.

85. At no time did Plaintiffs consent to Defendants' taking, using, retaining, or disclosing Plaintiffs' confidential, proprietary, and Trade Secret information for any purpose.

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88. NeuMoDx misappropriated Plaintiffs' Trade Secrets by, for example, acquiring, disclosing, or using Plaintiffs' Trade Secrets despite knowing that Plaintiffs' Trade Secrets were acquired under circumstances giving rise to a duty by former HandyLab employees to maintain the secrecy of the trade secrets and refrain from the use of the trade secrets after their employment with HandyLab; and by acquiring, disclosing, or using Plaintiffs' Trade Secrets despite knowing that Plaintiffs' Trade Secrets were derived from or through former HandyLab employees who owed a duty to maintain the secrecy of the trade secrets and refrain from the use of the trade secrets after their employment with HandyLab.

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90. As the direct and proximate result of Defendants' conduct, Plaintiffs have suffered and, if Defendants' conduct is not stopped, will continue to suffer, severe competitive harm, irreparable injury, and significant damages within the meaning of 18 U.S.C. § 1836(b)(3)(B)(i)(I), in an amount to be proven at trial. In addition, as a direct and proximate result of Defendants' misappropriation, Defendants have been unjustly enriched as a result of their misappropriation of the Plaintiffs' Trade Secrets within the meaning of 18 U.S.C. § 1836(b)(3)(B)(i)(II) in an amount to be proven at trial.

SECOND COUNTERCLAIM-IN-REPLY
**Misappropriation Under and Violation of Michigan Uniform Trade Secrets Act, MCL
445.1901 et seq. (MUTSA) and/or Delaware Uniform Trade Secrets Act,
6 Del. C. § 2001 et seq. (DUTSA)
(Against NeuMoDx, Brahmasandra, and Williams)**

93. Plaintiffs own and possess certain confidential, proprietary, and Trade Secret information, as alleged above.

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95. Plaintiffs' confidential, proprietary, and Trade Secret information derives independent economic value from not being generally known to, and not being readily ascertainable through proper means by, another person who could obtain economic value from the disclosure or use of the information.

97. In violation of Plaintiffs' rights, Defendants misappropriated Plaintiffs' confidential, proprietary and Trade Secret information, in the improper and unlawful manner as alleged herein, including by acquiring, using and disclosing the confidential, proprietary and Trade Secret information for their economic benefit. Defendants' ongoing misappropriation of Plaintiffs' confidential, proprietary, and Trade Secret information was intentional, knowing, willful, malicious, fraudulent, and oppressive. Defendants have attempted and continue to attempt to conceal their misappropriation.

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maintain the secrecy of the trade secrets and refrain from the use of the trade secrets after their employment with HandyLab. Brahmasandra improperly retained hundreds of Plaintiffs' confidential documents (including Trade Secrets) after his employment with HandyLab. At NeuMoDx, Brahmasandra and Williams disclosed, used, and enabled others at NeuMoDx to use those documents, in violation of their duties of secrecy to Plaintiffs and their duties to return Plaintiffs' property upon leaving.

100. Specifically, Defendants further misappropriated Plaintiffs' Trade Secrets by using them to develop, manufacture, market, sell, maintain, service, and/or upgrade NeuMoDx's molecular system products, for Defendants' benefit and to the detriment of Plaintiffs, and such improper use continues to this day.

102. Because Plaintiffs' remedy at law is inadequate, Plaintiffs seek, in addition to damages, temporary, preliminary, and permanent injunctive relief to recover and protect its confidential, proprietary, and trade secret information and to protect other legitimate business interests. Plaintiffs' business operates in a competitive market and will continue suffering irreparable harm absent injunctive relief.

103. Plaintiffs repeat and re-allege each and every allegation above as if fully set forth herein.

104. Plaintiffs own and possess certain confidential and proprietary information and material aside from information and material that does not fall within the definition of trade secrets. This confidential and/or propriety information and material is the product of Plaintiffs' skill, financial investment, and labor.

105. At no time did Plaintiffs consent to Defendants' taking, using, retaining, or disclosing Plaintiffs' confidential and/or proprietary information for any purpose.

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attempted and continue to attempt to conceal their misappropriation from Plaintiffs and the public. Defendants actions misled Plaintiffs and have misled and continue to mislead the public.

107. As the direct and proximate result of Defendants' conduct, Plaintiffs have suffered and, if Defendants' conduct is not stopped, will continue to suffer, severe competitive harm, irreparable injury, and damages, in an amount to be proven at trial.

FOURTH COUNTERCLAIM-IN-REPLY
CONVERSION
(Against NeuMoDx)

108. Plaintiffs repeat and re-allege each and every allegation above as if fully set forth herein.

109. Plaintiffs have rightful ownership and right of possession over its confidential and/or proprietary information and material, including its Trade Secrets.

110. NeuMoDx intentionally and unlawfully exercised dominion over Plaintiffs' confidential and/or proprietary information and material. NeuMoDx's tortious conduct was not privileged, excused, or authorized.

111. Plaintiffs were dispossessed of their right to the exclusive legitimate use and possession of their confidential and/or proprietary information and material.

112. NeuMoDx's tortious conduct constituted the conversion of an identifiable sum of money, the amount of which to be determined at trial.

113. NeuMoDx's tortious conduct was willful and malicious, warranting an award of punitive damages in addition to the full value of the converted property.

FIFTH COUNTERCLAIM-IN-REPLY
TRESPASS TO CHATTELS
(Against NeuMoDx)

114. Plaintiffs repeat and re-allege each and every allegation above as if fully set forth herein.

116. NeuMoDx intentionally and substantially interfered with Plaintiffs' right to the exclusive use and possession of its confidential and/or proprietary information and material, including by way of NeuMoDx's ongoing wrongful possession, control, and use of such information and material.

118. NeuMoDx's tortious conduct with regards to Plaintiffs' confidential and/or proprietary information and material is the proximate cause of damages suffered by Plaintiffs.

120. Plaintiffs are entitled to damages, the extent of which to be determined at trial.

122. NeuMoDx's tortious conduct was willful and malicious, warranting an award of punitive damages in addition to actual damages suffered by Plaintiffs.

123. Plaintiffs repeat and re-allege each and every allegation above as if fully set forth herein.

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125. NeuMoDx has therefore been unjustly enriched at the expense of Plaintiffs, and Plaintiffs are entitled to restitution in an amount to be established at trial.

126. Plaintiffs repeat and re-allege each and every allegation above as if fully set forth herein.

128. Plaintiff HandyLab entered in a valid and enforceable contract with Williams, namely, the At-Will Employment Agreement.

130. At no time was Williams's performance under the At-Will Employment Agreement excused. For example, Williams acknowledged in the At-Will Employment Agreement that the restrictions on disclosure and use of confidential information and material shall continue to apply after his employment terminated with HandyLab.

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132. Williams breached the At-Will Employment Agreement, including by disclosing confidential HandyLab documents and information and material to NeuMoDx and/or other third-parties in connection with his employment as the CEO of NeuMoDx, using confidential HandyLab documents and information and material in connection with his employment as the CEO of NeuMoDx, and failing to surrender confidential HandyLab documents and information and material to HandyLab upon the termination of his employment.

EIGHTH COUNTERCLAIM-IN-REPLY
BREACH OF FIDUCIARY DUTIES
(Against Brahmasandra and Williams)

135. Brahmasandra and Williams owed a fiduciary duty and duty of loyalty to HandyLab as directors, nondirector officers, and/or key managerial personnel of HandyLab. In addition, Brahmasandra and Williams owed a fiduciary duty and duty of loyalty to HandyLab as its agents who were provided with HandyLab's confidential and proprietary information and material.

137. Williams breached his duties to HandyLab by improperly retaining, disclosing, and using HandyLab’s confidential and proprietary information and material—which was founded on information acquired during his fiduciary relationship—at NeuMoDx.

NINTH COUNTERCLAIM-IN-REPLY
FRAUD IN THE INDUCEMENT
(Against Brahmasandra)

140. On or around December 2011, at the time Brahmasandra requested that Plaintiffs amend his At-Will Employment Agreement to waive the non-compete provision, Brahmasandra by words or conduct represented or misled Plaintiffs to believe that he had thus far not breached any of the provisions of the At-Will Employment Agreement and had been an employee in good-standing. For example, Brahmasandra stated in a December 8, 2011 email to an executive at BD that he had joined a company called Life Magnetics but that he had cautiously “stayed out of any discussions with [Williams] regarding this type of a system – out of consideration for the non-compete I signed with BD as party of my employment agreement.” Brahmasandra thus represented by words or conduct that he had not breached any provision of the employment

agreement, including the confidentiality provisions and the non-compete provision that he was asking Plaintiffs to voluntarily waive. Brahmasandra also represented that Williams and Molecular Systems Corp. had “ideas” but “really no technology yet to implement anything” and therefore would “not result in the development of any competing products for at least 3-4 years from when we do start to work on the product.” Brahmasandra also represented that Williams and Molecular Systems Corp. had “ideas” but “really no technology yet to implement anything” and therefore would “not result in the development of any competing products for at least 3-4 years from when we do start to work on the product.” Brahmasandra by words or conduct represented or misled Plaintiffs to believe that Molecular Systems Corp. would start from “really no technology”—and not, for example, a head-start based on hundreds of Plaintiffs’ confidential, proprietary, and Trade Secret documents and information—that Brahmasandra wished to explore the “the development” of a new idea or new technology (when instead he planned to co-opt Plaintiffs’ development) and that Brahmasandra was going to develop “new technology” (when instead he planned to co-opt Plaintiffs’ technologies).

prior to the waiver request being granted. Moreover, Brahmasandra intended to use and

142. Brahmasandra intended to deceive and defraud Plaintiffs into granting a waiver of his non-compete. Plaintiffs relied upon Brahmasandra's material misrepresentations, but for which Plaintiffs would not have agreed to amend Brahmasandra's At-Will Employment Agreement to grant the waiver of Brahmasandra's non-compete.

TENTH COUNTERCLAIM-IN-REPLY
SILENT FRAUD
(Against Brahmasandra)

145. On or around December 2011, at the time Brahmasandra requested that Plaintiffs amend his At-Will Employment Agreement to waive the non-compete provision, he suppressed the material facts that (1) he had already breached the At-Will Employment Agreement, including by disclosing Plaintiffs' confidential information to third-parties during his employment with HandyLab, by retaining Plaintiffs' confidential information after his employment with HandyLab; and by already planning and developing nucleic acid testing systems, including with Jeff Williams with whom he had not "stayed out of any discussions" but rather exchanged detailed correspondence about product specifications and development, and including with Michelle Mastronardi [REDACTED] prior to the waiver request being granted; and (2) he intended to use and disclose Plaintiffs' confidential, proprietary,

146. Brahmasandra's suppression of those material facts was knowing or reckless. Moreover, Brahmasandra had a legal or equitable duty to disclose those facts to Plaintiffs during the negotiation of any amendment to his At-Will Employment Agreement with HandyLab, based on his former roles as director, officer, and/or key managerial personnel of HandyLab; as a former agent of HandyLab provided with HandyLab's confidential and proprietary information, and based on his duties to disclose material new information relating to his prior representations and warranties.

148. As a direct and proximate result of Brahmasandra's suppression of material facts in negotiating the amendment to his At-Will Employment Agreement, Plaintiffs have been harmed competitively and harmed in an amount to be proven at trial.

149. Plaintiffs repeat and re-allege each and every allegation above as if fully set forth herein.

151. Plaintiff HandyLab entered in a valid and enforceable contract with Williams, namely, the At-Will Employment Agreement.

153. NeuMoDx intentionally and improperly interfered with Brahmasandra's and Williams's performance of their obligations under the At-Will Employment Agreements—including under the provisions thereof relating to the disclosure, use, and surrender of confidential information.

155. At no time was NeuMoDx's interference excused or justified. For instance, both Brahmasandra's and Williams's At-Will Employment Agreements stated that the restrictions on disclosure and use of confidential information shall continue to apply after the employment terminates with HandyLab.

TWELFTH COUNTERCLAIM-IN-REPLY
BREACH OF QIAGEN-HANDYLAB AGREEMENT
(Against Qiagen and NeuMoDx)

158. Under NeuMoDx's and Qiagen's theories of the case, Plaintiff HandyLab entered in a valid and enforceable contract with Qiagen, namely the Qiagen-HandyLab Agreement entered on May 21, 2008 and amended on July 1, 2009.

159. Even under NeuMoDx's and Qiagen's theories of the case, at no time was Qiagen's performance under the Qiagen-HandyLab Agreement excused.

RESERVATION OF RIGHTS

PRAYER FOR RELIEF FOR COUNTERCLAIMS-IN-REPLY

g. Other temporary, preliminary, and/or permanent injunctive relief;

- by Plaintiffs;

DEMAND FOR JURY TRIAL

on all issues so triable.

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CERTIFICATE OF SERVICE

I hereby certify that on March 24, 2021, I caused the foregoing to be electronically filed with the Clerk of the Court using CM/ECF, which will send notification of such filing to all registered participants.

I further certify that I caused copies of the foregoing document to be served on March 24, 2021, upon the following in the manner indicated:

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